



# ARIZONA HOUSE OF REPRESENTATIVES

Fifty-sixth Legislature  
First Regular Session

Senate: GOV DP 4-3-1-0 | 3<sup>rd</sup> Read 16-12-2-0

House: GOV DP 5-4-0-0

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## **SB 1611: public entities; contracts; prohibition**

**Sponsor: Senator Kern, LD 27**

**House Engrossed**

### **Overview**

Specifies that a public entity may not implement an environmental, social or governance standards (ESG) policy as a condition of entering into or renewing a contract with a company.

### **History**

Under current law, a public entity is prohibited from entering into a contract with a company to acquire or dispose of services, supplies, information technology, goods or construction unless the contract includes a written certification that the company is not currently using or engaging in: 1) the forced labor of ethnic Uyghurs in the People's Republic of China; or 2) a boycott of goods or services from Israel. Additionally, a public entity is restricted from adopting a procurement, investment or other policy that has the effect of inducing or requiring a person or company to boycott Israel (A.R.S. §§ [35-393.01](#) and [35-394](#)).

### **Provisions**

1. Prohibits a public entity, as a condition of entering into or renewing a contract with a company, to require the company to implement an ESG policy. (Sec. 1)
2. Restricts a public entity from adopting an investment, procurement or other policy that requires a company to implement an ESG policy.
3. Defines the following terms:
  - a) *Company*;
  - b) *Environmental, social or governance standards policy*; and
  - c) *Public entity*. (Sec. 1)

Prop 105 (45 votes)

Prop 108 (40 votes)

Emergency (40 votes)

Fiscal Note